

As our economy recovers, stabilizing our housing market and getting homeowners the support they need is vital. Earlier this year, you may recall that the CA state Attorney General and the nation's five largest banks agreed to a \$25 billion settlement for mortgage loan servicing and foreclosure abuses. These funds should provide important assistance for the struggling housing market and homeowners whose loans are owned or serviced by one of the five largest mortgage lenders may qualify for assistance.

The banks included in the settlement are:

Bank of America Corporation  
JPMorgan Chase & Co.  
Wells Fargo & Company  
Citigroup Inc., and  
Ally Financial Inc. (formerly GMAC)

In addition to forcing these lenders to work with struggling homeowners, Fannie Mae and Freddie Mac must be part of the solution. The California Democratic Congressional Delegation has been actively involved in trying to address the foreclosure crisis and resuscitate the housing market by repeatedly calling for action to help homeowners in California, and across the nation. For example, we sent a letter in February signed by 116 Members of Congress urging acting Director of the Federal Housing Finance Agency (FHFA), Ed DeMarco, to allow Fannie Mae and Freddie Mac to engage in principal forgiveness.

Unfortunately, on July 31, the Acting Director of the Federal Housing Finance Agency (FHFA), Ed DeMarco, decided to prevent Fannie Mae or Freddie Mac from offering mortgage principal write-down relief for underwater homeowners. I joined 31 of my California Democratic colleagues in issuing a press statement expressing our clear frustration with his failure to be part of the solution to our nation's housing crisis. You can read the statement [here](#).

I will continue to work with my colleagues to insure that Fannie Mae and Freddie Mac are held to same standards as the private lenders and will continue working to steady our housing market to assist homeowners. If you need assistance on any housing matters, please contact my Salinas office at (831) 424-2229.